

News

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CONSUMER PRICES IN THE NORTHEAST: JANUARY 2004

Retail prices in the Northeast region, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 0.5 percent in January, following decreases of 0.1 percent in December and 0.2 percent in November. Sheila Watkins, Regional Commissioner of the U.S. Department of Labor's Bureau of Labor Statistics, attributed much of the rise to higher prices in the shelter and energy sectors. These increases were in part offset by declines for apparel, typically down in January with seasonal sales, and lower prices in the private transportation sector. For the year ended January 2004, the CPI-U rose 2.8 percent, and core inflation, as measured by the all items less food and energy index, was up 2.2 percent.

The housing index rose 1.1 percent in January, primarily reflecting a 0.9-percent increase in the shelter component, with a sharp rise in out-of-town lodging charges, often up in January with the start of the winter vacation season. Among other components of shelter, owners' equivalent rent and residential rent each edged up 0.2 percent. The fuels and utilities component of housing was up 2.7 percent, with sharp increases for residential fuel oil and increases of 2.2 percent for utility (piped) gas service and 0.8 percent for electricity. The household furnishings and operations index rose 0.4 percent.

The transportation index rose 0.4 percent in January, primarily due to a 3.5-percent increase in the price of gasoline. The January increase in the gasoline index followed decreases totaling 11.4 percent between September and December 2003. A decline of 0.4 percent in the index for new and used motor vehicles in part offset the January rise in gasoline prices.

The apparel index declined 3.4 percent in January, with post-holiday discounting. The January drop followed decreases of 4.2 percent in December and 2.6 percent in November. Apparel prices are down 0.7 percent over the year.

Among other major components, the other goods and services index, which includes tobacco and smoking products, personal care products and services, and personal services such as legal, funeral, and laundry and dry cleaning services, rose 0.9 percent in January. The medical care index rose 0.5 percent due to a 0.6-percent increase for medical care services. Medical care commodities inched down 0.1 percent.

The education and communication index rose 0.3 percent in January, while the recreation index increased 0.4 percent. The food and beverages index inched up 0.1 percent, largely reflecting a 0.3-percent increase in the food away from home component. Alcoholic beverages were up 0.6 percent. Partially offsetting these increases, the food at home index edged down 0.2 percent over the month.

Table A. Percent changes in the Consumer Price Index for All Urban Consumers (CPI-U), by region (not seasonally adjusted)

Expenditure category	January 2003 – January 2004					December 2003 – January 2004				
	US	North-east	Mid-west	South	West	US	North-east	Mid-west	South	West
All items	1.9	2.8	1.8	1.8	1.5	0.5	0.5	0.6	0.4	0.6
Food and beverages	3.5	3.8	2.9	3.4	3.8	0.1	0.1	0.2	0.2	0.1
Housing	2.2	3.5	1.8	2.4	1.1	0.6	1.1	0.6	0.4	0.7
Apparel	-1.9	-0.7	-0.2	-3.4	-2.3	-2.7	-3.4	-2.8	-3.2	-1.0
Transportation	1.0	1.3	1.9	0.7	0.3	1.5	0.4	2.2	1.8	1.3
Medical care	3.8	3.8	4.0	3.6	3.8	0.5	0.5	0.7	0.3	0.6
Recreation	0.9	2.0	-0.1	0.9	1.4	0.2	0.4	0.0	0.3	0.5
Education and communication	1.3	1.9	1.2	-0.2	2.7	0.2	0.3	0.3	0.1	0.0
Other goods and services	1.7	3.1	0.5	0.9	2.6	0.4	0.9	0.1	0.1	0.7

The Northeast increase of 2.8 percent for the year ended January 2004 was well above the national rise of 1.9 percent. Among other regions, over-the-year increases were 1.8 percent in the South and in the Midwest and 1.5 percent in the West.

The Northeast Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 192.6 in January. The CPI-W rose 0.5 percent over the month and increased 2.9 percent over the year.

Data in this report are not seasonally adjusted. Accordingly, month to month changes may reflect the impact of seasonal influences. Regions are defined as the four Census regions, comprised as follows: Northeast - Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont. Midwest - Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. South -Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia. West - Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Northeast (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Nov. 2003	Dec. 2003	Jan. 2004	Jan. 2003	Nov. 2003	Dec. 2003
<u>Expenditure category</u>						
All items.....	195.1	194.9	195.9	2.8	0.4	0.5
All items (December 1977=100)	307.3	306.9	308.5	-	-	-
Food and beverages.....	185.3	186.2	186.4	3.8	.6	.1
Food.....	184.6	185.6	185.7	3.9	.6	.1
Food at home.....	185.0	186.4	186.0	4.7	.5	-.2
Food away from home.....	186.5	187.2	187.8	2.8	.7	.3
Alcoholic beverages.....	193.1	192.7	193.8	2.2	.4	.6
Housing.....	202.6	202.6	204.8	3.5	1.1	1.1
Shelter.....	243.8	243.6	245.9	3.3	.9	.9
Rent of primary residence 1/.....	228.2	229.0	229.5	3.6	.6	.2
Owners' equivalent rent of primary residence 1/ 2/	256.3	257.2	257.8	3.2	.6	.2
Fuels and utilities.....	146.7	147.9	151.9	8.6	3.5	2.7
Fuels.....	135.6	136.9	141.0	9.0	4.0	3.0
Gas (piped) and electricity 1/.....	149.4	150.5	152.7	8.8	2.2	1.5
Electricity (1).....	135.3	135.5	136.6	5.6	1.0	.8
Utility (piped) gas service 1/.....	177.5	180.6	184.6	13.7	4.0	2.2
Household furnishings and operations.....	126.8	127.0	127.5	-.5	.6	.4
Apparel.....	122.8	117.7	113.7	-.7	-7.4	-3.4
Transportation.....	158.4	157.7	158.3	1.3	-.1	.4
Private transportation.....	152.8	152.1	152.8	1.0	.0	.5
New and used motor vehicles 3/.....	94.4	94.3	93.9	-4.2	-.5	-.4
New vehicles.....	136.7	137.9	137.5	-1.8	.6	-.3
New cars and trucks 3/ 4/.....	95.1	95.9	95.6	-1.8	.5	-.3
New cars 4/.....	134.2	135.1	134.1	-2.5	-.1	-.7
Used cars and trucks.....	134.9	133.9	133.7	-11.5	-.9	-.1
Motor fuel.....	133.2	129.7	134.2	6.7	.8	3.5
Gasoline (all types).....	132.5	129.0	133.5	6.7	.8	3.5
Gasoline, unleaded regular 4/.....	132.6	129.0	133.7	6.9	.8	3.6
Gasoline, unleaded midgrade 4/ 5/.....	135.7	132.6	136.3	6.0	.4	2.8
Gasoline, unleaded premium 4/.....	130.5	127.4	131.3	6.7	.6	3.1
Medical care.....	319.6	321.7	323.2	3.8	1.1	.5
Medical care commodities.....	278.8	279.6	279.4	2.2	.2	-.1
Medical care services.....	329.2	331.8	333.8	4.2	1.4	.6
Professional services.....	274.4	276.4	277.6	2.6	1.2	0.4
Recreation 3/.....	109.4	109.3	109.7	2.0	.3	.4
Education and communication 3/.....	111.8	111.9	112.2	1.9	.4	.3
Other goods and services.....	323.2	322.8	325.7	3.1	.8	.9
<u>Commodity and service group</u>						
All items.....	195.1	194.9	195.9	2.8	.4	.5
Commodities.....	153.8	153.3	153.5	1.5	-.2	.1
Commodities less food and beverages.....	134.3	132.9	133.3	-.1	-.7	.3
Nondurables less food and beverages.....	149.9	147.3	147.9	2.1	-1.3	.4
Nondurables less food, beverages, and apparel.....	173.3	172.1	176.0	3.4	1.6	2.3
Durables.....	113.8	114.1	114.1	-3.4	.3	.0
Services.....	235.6	235.7	237.3	3.7	.7	.7
Rent of shelter 2/.....	254.8	254.6	257.0	3.3	.9	.9
Transportation services.....	212.1	211.5	210.8	3.6	-.6	-.3
Other services.....	272.7	272.9	273.9	3.1	.4	.4
<u>Special aggregate indexes</u>						
All items less medical care.....	189.3	189.0	190.0	2.8	.4	.5
All items less food.....	197.2	196.8	197.9	2.6	.4	.6
All items less shelter.....	178.7	178.5	179.0	2.6	.2	.3
Commodities less food.....	136.6	135.3	135.6	-.1	-.7	.2
Nondurables.....	168.0	167.1	167.5	3.0	-.3	.2
Nondurables less food.....	152.5	150.0	150.6	2.1	-1.2	.4
Nondurables less food and apparel.....	174.1	173.0	176.6	3.3	1.4	2.1
Services less rent of shelter 2/.....	234.8	235.2	236.0	4.1	.5	.3
Services less medical care services.....	228.5	228.4	230.0	3.7	.7	.7
Energy.....	135.0	134.3	138.5	8.0	2.6	3.1
All items less energy.....	203.5	203.3	204.0	2.5	.2	.3
All items less food and energy.....	208.4	208.0	208.7	2.2	.1	.3
Commodities less food and energy commodities.....	142.7	141.5	140.8	-1.3	-1.3	-.5
Energy commodities.....	132.9	130.5	137.0	7.3	3.1	5.0
Services less energy services.....	244.0	244.0	245.6	3.4	0.7	0.7

1/ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

2/ Index is on a December 1982=100 base.

3/ Indexes on a December 1997=100 base.

4/ Special index based on a substantially smaller sample.

5/ Indexes on a December 1993=100 base.

- Data not available.

NOTE: Index applies to a month as a whole, not to any specific date.